

STATE OF NEBRASKA

DEPARTMENT OF INSURANCE

L. Tim Wagner
Director



Mike Johanns
Governor

MEMORANDUM

TO: Interested Parties

FROM: Beverly Creager, Licensing Administrator
Michael Boyd

DATE: October 29, 2003

RE: Viatical Settlement Broker and Provider Licensing

In 2001, the Nebraska Unicameral adopted the Viatical Settlements Act, Sections 27 to 42 of LB 52, which is now codified at Neb.Rev.Stat. §44-1101 et seq. Enclosed you will find the Nebraska Department of Insurance application forms for Viatical Settlement Broker, Viatical Settlement broker Entity, and Viatical Settlement Provider.

A viatical settlement broker or viatical settlement provider transacting business in Nebraska on or before July 1, 2002, may continue to do so pending approval or disapproval of the broker's or provider's application for a license so long as the application is filed with the Department by July 1, 2002.

A viatical settlement broker or broker entity must submit an application fee of \$40.00 with the application(s). A viatical settlement provider must submit an application fee of \$1,000.00 with the application. Please make checks payable to the Nebraska Department of Insurance.

A viatical settlement broker applicant is required to be licensed in Nebraska as a life insurance agent and must have proof of errors and omissions coverage. A viatical settlement provider must provide proof of financial responsibility in the amount of \$50,000 in the form of a surety bond, letter of credit, cash, securities or certificate deposit or a combination thereof.

If you should have questions regarding these application forms or other required information, viatical settlement brokers/entities should contact Beverly Creager, Licensing Administrator, and viatical settlement providers should contact Michael Boyd at 402/471-2201.

PROCEDURES TO OBTAIN A VIATICAL SETTLEMENT BROKER LICENSE

QUALIFICATIONS

Applicant must hold a valid Life insurance producer license in the State of Nebraska.

Applicant must be at least 18 years of age.

FILING REQUIREMENT

1. Application for viatical settlement broker license completed in its entirety.
2. Proof of errors and omissions coverage.
3. A check in the amount of \$40.00.

DURATION OF LICENSE

The initial license will be effective the date received in the department provided all information is in order and will expire the end of the licensee's birth month when the licensee is an even age. (Example: If you were born in an even year your license will have an expiration date of the last day of your birth month in even years. If you were born in an odd year your license will have an expiration date of the last day of your birth month in odd years).

After the initial license all renewed licenses will be for a two-year period.

CHANGE OF ADDRESS

Every person licensed under the Viatical Settlement Act shall notify the Department of any change in such person's residential or business address.

DECLARATION TO NEBRASKA
DEPARTMENT OF INSURANCE
FOR VIATICAL SETTLEMENT BROKER

Type or print all responses. Attach additional sheets as necessary. Return completed and signed declaration to: Nebraska Department of Insurance, 941 “O” Street, Suite 400, Lincoln, NE 68508-3639.

1. Name of applicant: _____
2. Nebraska life insurance agent license number: _____
_____ Resident _____ Non-resident
3. Mailing address: _____
4. Phone number: _____
5. Organizational information: _____ Individual _____ Corporation
6. List all states in which you are or ever have been licensed or registered to act as a viatical settlement agent or broker and the number and current status of any such license or registration. List any other states in which you have acted as a viatical settlement agent or broker:

| STATE | LICENSE NUMBER AND STATUS |
|-------|---------------------------|
| | |
| | |
| | |
| | |
| | |

7. List all states in which your application for licensure or registration to act as a viatical settlement agent or broker is currently pending.

[illegible]

8. Have you (or any officer or director in the case of a corporate applicant) ever been convicted of or are you currently charged with committing a crime, whether or not adjudication was withheld? "Crime" includes a misdemeanor, felony, or a military offense. You may exclude misdemeanor traffic citation and juvenile offenses. "Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence, or a fine.

_____ YES _____ NO

If you answer yes, you must attach to this declaration:

- a) a written statement explaining the circumstances of each incident;
- b) a copy of the charging document; and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgement.

9. Have you (or any officer or director in the case of corporate applicant) ever been involved in an administrative proceeding regarding any professional or occupational license or the business of viatical settlements or life insurance? "Involved" means having a license censured, surrendering a license to resolve an administrative or arbitration proceeding, which I related to a professional or occupational license. "Involved" also means having a license application denied or the act or withdrawing an application to avoid denial. You may exclude termination due solely to a non-compliance with continuing education requirements or failure to pay a renewal fee.

_____ YES _____ NO

If you answer yes, you must attach to this declaration:

- a) a written statement explaining the circumstances of each incident;
- b) a copy of the charging document; and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

10. Have you (or any officer or director in the case of corporate applicant) ever been found liable in any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation or breach of fiduciary duty?

_____ YES _____ NO

If you answer yes, you must attach to this declaration:

- a) a written statement explaining the circumstances of each incident;
- b) a copy of the charging document; and
- c) a copy of the official document which demonstrates the resolution of the charges of any final judgment.

11. Identify all viatical settlement providers that have paid commissions to you during the previous 12 months or with which you intend to transact business during the next 12 months.

Name: _____

Address: _____

Phone: _____

Name: _____

Address: _____

Phone: _____

Name: _____

Address: _____

Phone: _____

I _____ intend to act as a viatical settlement broker or
(name of applicant)

viatical settlement in Nebraska. I have read and understood Neb. Rev. Stat. §44-1110 et seq. I understand that a viatical settlement broker is deemed to represent only the viator's interests and shall owe a fiduciary duty to the viator to act according to the viator's instructions and in the viator's best interests. I understand that a viatical settlement broker may not seek or obtain any compensation from the viator without the written agreement of the viator obtained before the broker performs any services in connection with the transaction. I understand that viatical settlement agent is deemed to represent only the viatical settlement provider. A viatical settlement broker may not seek or obtain any compensation from viator in connection with the transaction.

I hereby certify under penalty of perjury that the above information is true and correct to the best of my knowledge and belief.

Signature

Typed or Printed Name

Relationship to Applicant, if Applicable

INDIVIDUAL RESIDENT/NONRESIDENT PRODUCER AND VIATICAL SETTLEMENT LICENSE APPLICATION

(Please PRINT or TYPE)

Please read carefully and complete all necessary information.

PART I--LICENSE AND FEE INFORMATION

STATE FOR WHICH APPLICATION IS SOUGHT: _____ FEE ENCLOSED: \$ _____

- A. Check one: ☐ New license ☐ Amended License ☐ Reinstatement
- B. Check one: ☐ Resident (Attach a letter of clearance if you were a resident in another state as a resident producer) ☐ Non-Resident (Attach a certification letter)

PART II -- IDENTIFICATION

- A. Social Security Number: _____ B. Date of Birth: (month) _____ (day) _____ (year) _____
- C. Full Legal Name of Applicant _____
(Please Print or Type) Last Name First Name M.I. JR., SR.
- D. Residence Address _____
Street Address is Required

County City State Zip
- E. Home Phone (____) _____ Business Phone (____) _____
- F. Are you a citizen of the United States? ☐ Yes ☐ No (If NO, of which country are you a citizen?) _____

PART III -- BACKGROUND INFORMATION

- A. Do you now hold or have you ever held an insurance license in another state in the U.S. or the provinces of Canada?
☐ Yes ☐ No If YES, and the license is still in force, attach a certification letter from your home state. If the license is not in force, attach a letter of clearance from the last state where you held a resident license.
- B. Has any disciplinary action, including but not limited to, refusal, suspension, revocation, ever been taken by any regulatory agency in any state or any province of Canada against you or any business with which you have been directly connected?
☐ Yes ☐ No If YES, provide full explanation on a separate sheet of paper.
- C. Have you ever been convicted of or pled nolo contendere (no contest) to any misdemeanor or felony or currently have pending misdemeanor or felony charges filed against you? (Misdemeanor does not mean minor traffic violations.)
☐ Yes ☐ No If YES, give date, name and address of court, basis of charge, outcome and whether you received an executive pardon. Also attach certified copies of the information or indictment and the final adjudication.
- D. Are you an officer, director or employee of a lending institution (bank, savings and loan or other such institution, which accepts deposits and lends money) or of a bank holding company or an affiliate or one of the above?
☐ Yes ☐ No If YES, give name and address of institution _____

NOTE: This completes the uniform portion of the application. You must now complete the state-specific page (or pages) for the state(s) in which you will apply. The Applicant's signature and certification is included on the state-specific page(s). YOUR APPLICATION IS NOT COMPLETE AND WILL BE REJECTED IF ALL PAGES ARE NOT SUBMITTED.

NEBRASKA-SPECIFIC INSURANCE PRODUCER AND VIATICAL SETTLEMENT BROKER'S APPLICATION

Terminal Building
941 "O" Street, Suite 400
Lincoln, NE 68508-3639
Telephone (402) 471-4913
e-mail licensing@doi.state.ne.us

PART IV

A. Name of Applicant _____ Social Security Number _____
Last First Middle

B. Business Address _____
Name of Firm or Agency (if applicable)

Street Address

City State Zip Code

C. Male ☐ Female ☐ Age ____ E-Mail Address _____

PART V -- QUALIFICATIONS REQUESTED (Check appropriate boxes)

- | | | |
|---|--|---|
| <input type="checkbox"/> Property and Casualty | <input type="checkbox"/> Crop/Hail | <input type="checkbox"/> e. Health Maintenance Organization |
| <input type="checkbox"/> Life Insurance and Annuities | <input type="checkbox"/> Domestic Assessment Association | <input type="checkbox"/> f. Credit Insurance (Includes Credit Life & Disability, Credit Property, Unemployment Credit, Mortgage Life, Guaranty & Disability, and GAP) |
| <input type="checkbox"/> Variable Contracts (Proof of passage of Series 6 or 7 and 63 exam must be submitted with this application) | <input type="checkbox"/> Miscellaneous | <input type="checkbox"/> h. Please Specify (Limited Lines) |
| <input type="checkbox"/> Personal Lines Property Casualty | <input type="checkbox"/> a. Auto Mechanical Breakdown | |
| <input type="checkbox"/> Sickness, Accident, Health | <input type="checkbox"/> b. Prepaid Legal | |
| <input type="checkbox"/> Title | <input type="checkbox"/> c. Motor Club | |
| | <input type="checkbox"/> d. Prepaid Dental | |

Limited:

- ☐ Ticket Selling Agent Travel Insurance
- ☐ Home Office Employee or Branch Office Employee of Insurer or of General Agent - Compensated by Salary Only.
- ☐ Viatical Settlement Broker (You must be licensed in Nebraska as a Life insurance producer in order to be licensed as a viatical settlement broker.)

PART VI - FEES

New License Fee: **Resident - \$20.00 Nonresident - \$40.00.** Reinstatement Fee (31 days up to 12 months from expiration) **Resident and Non-Resident \$100.00.** A check in payment of a new or reinstatement of license must be submitted with the application for license. **Please make checks payable to the Nebraska Department of Insurance. Amended License - \$5.00. Viatical Settlement Broker Resident and Non-Resident \$40.00.**

PART VII

Applicant must read the following very carefully:

- I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.
- I further certify that I grant permission to the Commissioner, Director or Superintendent of Insurance, or other appropriate party in each jurisdiction for which this application is made to verify information with any federal, state or local government agency, current or former employer, or insurance company.
- I further certify that, under penalty of perjury either a.) I have no child-support obligation, or b.) I have a child-support obligation and I am currently in compliance with that obligation.
- I authorize the jurisdictions to give any information concerning me, as permitted by law, to any federal, state or municipal agency, or any other organization and I release the jurisdictions and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.
- I acknowledge that I am familiar with the insurance laws and regulations of the jurisdictions to which I am applying for licensure.
- I further certify that the Department of Insurance will be notified within 30 days of any change of address from that set forth in this application.

Sign

Here _____
Applicant's Signature

Date

| STATE USE ONLY | License Number | Date Issued | Expiration Date | Fee Paid |
|----------------|----------------|-------------|-----------------|----------|
| | | | | \$ _____ |